



## DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY

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August 17, 2010

Mark Paulsen  
ECS Refining  
705 Reed Street  
Santa Clara, CA 95050

RE: FINAL AUDIT REPORT – ECS REFINING (CEWID 100412)

Dear Mr. Paulsen:

Enclosed is the final report on the audit of ECS Refining, regarding the Covered Electronic Waste Recovery and Recycling Program. The audit was planned and performed to determine conformance with the regulations resulting from the Electronic Waste Recycling Act of 2003. The period of review for this audit was January 1, 2008 through December 31, 2008.

No material deficiencies, discrepancies, or significant areas of concern were uncovered during the course of this review.

Please contact Gladys Onejeme, Auditor, at (916) 324-6892 or [gladys.onejeme@calrecycle.ca.gov](mailto:gladys.onejeme@calrecycle.ca.gov) with any questions regarding this report.

Sincerely,

A handwritten signature in blue ink, appearing to read "Susan R. Villa", is written over a faint, light blue circular stamp.

Susan R. Villa, Chief  
Fiscal Services Branch  
Administration and Finance Division

Enclosure

cc: Tom Estes, Deputy Director, Administration and Finance Division, CalRecycle  
Jeff Hunts, Manager, E-Waste Branch, CalRecycle  
Brian Kono, Manager, Audits and Evaluations, CalRecycle  
Gladys Onejeme, Auditor, Audits and Evaluations, CalRecycle



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# **AN ELECTRONIC WASTE AUDIT**

**ECS Refining**

**Electronic Waste Recovery and Recycling  
Account**

**Final Audit Report**

**Recycler Payment Claim: Claim 1267**

**For the Period January 1, 2008  
Through December 31, 2008**

**Prepared By:  
Department of Resources Recycling and Recovery  
Audits and Evaluations**

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**August 2010**

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## **FINAL AUDIT REPORT**

### **ECS Refining (CEWID 100412) Covered Electronic Waste Recovery and Recycling Program**

#### **SUMMARY**

The Department of Resources Recycling and Recovery (CalRecycle) processed and paid a claim, in the amount of \$229,843.38, submitted by ECS Refining, an electronic waste recycler. The payments issued by CalRecycle are funded by the Electronic Waste Recovery and Recycling Account.

CalRecycle's Audits and Evaluations reviewed records related to the appropriateness of expenditures of the Electronic Waste Recovery and Recycling Account, for the period of January 1, 2008 through December 31, 2008.

#### **BACKGROUND**

ECS Refining, an approved recycler for the Electronic Waste Recovery and Recycling Program, has participated in covered electronic waste (CEW) recovery and recycling since January 4, 2005. The recycler's business operations and records are located at 705 Reed Street, in Santa Clara, California. In addition, the recycler accepts and recycles all types of CEW, and provides the following opportunities for the community to recycle their electronic items: permanent drop off, pick-up by appointment from other handlers, and regularly scheduled pick-ups.

ECS Refining's client base consists primarily of commercial businesses, residents, schools and school districts, and local governments. The recycler's Net Cost Report states 78% of CEW recovery from commercial businesses, 1% from residents and individuals, and 21 % from institutions.

#### **OBJECTIVE, SCOPE, AND METHODOLOGY**

The audit was conducted to determine whether ECS Refining complied with CEW reporting, recordkeeping, and payment requirements, as specified by the California Public Resources Code, Section 42460, et seq., and the California Code of Regulations (CCR), Title 14, Chapter 8.2.

The audit scope included, but was not limited to, an evaluation of the integrity of electronic waste recycling claims submitted to CalRecycle for payment, and an assessment of operational and regulatory compliance by the recycler.



The audit was conducted in accordance with *Government Auditing Standards*. The standards require that the audit was planned and performed to obtain sufficient and appropriate evidence to provide a reasonable basis for the finding(s), if any, and conclusion based on the audit objective.

## **CONCLUSION**

ECS Refining was in compliance with the Electronic Waste Recycling Act of 2003 for the audit period of January 1, 2008 through December 31, 2008.

## **RESTRICTED USE**

This report is intended for the information and use of CalRecycle and ECS Refining management. However, this report is a matter of public record, and distribution is not limited.

